

MAGNOLIA COUNCIL MEETING MINUTES

Monday, June 12, 2023

> Call to Order

Called at 6:00 PM

> Pledge of Allegiance

> Roll Call

Council members present; Jim Frazier, Ryan Clarke, Buck Dougherty and Susanne Whitney. Scott Fowler was absent. Diane Cahall, Dustan Russum and Ralph Satterfield were present. Guests: Shore United Bank Branch Manager: Susan Welch and Asst. Branch Manager Kelly Willey.

> Minutes of Last Meeting

Approved as presented; motion by Buck, second by Ryan, motion carried.

> Treasurer's Report

Review of Diane's prepared report. Council reviewed the financial report, balances, and bills to be paid. Ryan motioned to pay the bills, second by Buck, motion carried. Diane advised Council that 2023 tax bills and 2nd quarter water bills will go out June 30th. Diane and Jim submitted Municipal Street Aid reports for 2023/24. Samuel Kent & Margaret Miller purchased 28 W. Walnut for \$392,500.

Mayor Frazier introduced Susan Welch and Kelly Willey from Shore United Bank. Ms. Welch provided an overview of the bank and pledging of securities. She also provided interest rates on 6-month and 15-month CD's ranging from 4% to 5.13%. The town will need a letter of formation, IRS forms and drivers license information on signers of accounts. Council thanked the ladies for visiting and providing information to council.

Jim motioned to move our funds to Shore United Bank for more valuable CD's, second by Buck, motion carried. Diane will check with PNC regarding early withdrawal penalties and the most effective way to transfer the funds. She will thank Susan Welch and advise her of Council's decision.

> Public Works/Infrastructure

a. Water System & Fire Hydrants: Dustan Russum read May water reports to Council including: water usage, fluoride/chlorine levels, and well levels. Council discussed hydrant flushing with Dustan and Ralph. Jim stated he would like to wait for Scott's input. Buck advised his water conditioner filters are filling up in record time. Ryan stated his water is extremely rusty. Dustan has the auto flusher by the Church set to go off at 1:00 am. Council advised Ralph to skip the June flushing of hydrants. Ralph reported; spend two days on 7 N. Main. Water leak and could not contact landlord. Put sprinklers on grass seed. Hydrant flush was pathetic; it would take all day to clear. Suggested letting just a little out each month, 5 minutes. He spoke about SILT on well heads. Ryan stated the flushers are being used, Buck said it's not rust it is dirty water, Dustan suggested one good hard flush a year. After discussion Council requested no flushing for June and discussion will continue in July.

New Business:

a. FY 2024 Town Budget

Council reviewed the 2024 Budget & Fiscal Note Page prepared by Mayor Frazier and Diane's financial reports. Noted: used \$8' k of \$92K of ARPA funds. Fire Company truck information, Water tower funds. Susanne motioned to accept the 2024 Budget, second by Buck, motion carried. Mayor Frazier and Diane signed the budget which will be notarized and submitted.

b. Delmarva Power Street Lights Upgrade

Jim has the application to upgrade to LED lights which should be more economical.

Water tower funding. The Well rehab project fell apart. On May 24th Greg was advised by email (only Greg) funding changed to no forgiveness loan; the \$850K that was granted switched and was turned into a regular loan. Jim, Scott and Greg declined the funding. WIAC Group; Jim gave comments on June 7th expressing the towns disappointment. With our town budget, residents water bills would double costing more than large developments in Dover. A loan of 850K is not possible for the Town of Magnolia. Jim also used the Census figures regarding median income. On June 20th Greg, Jim and Scott attended a zoom meeting with the Office of Drinking Water staff discussing: N. Main Street improvements \$900K, New Water Tower \$800K Elevated storage tank. New wells \$850K with pump improvement, they reneged. Dustan and Jim discussed that government required lead service lines cost over 1 million. We still have \$90K of ARPA funds.

The water tower funds are still ok and have not been affected.

There being no further business, motion to adjourn was made by Buck, second by Ryan and the meeting adjourned at 6:54 pm.

Respectfully submitted,

Diane Cahall